

Estimated Fiscal Impact of Bill # SB 46 Date January 27, 2009Short Title School Property Tax Equalization AmendmentsContact Cathy DudleyTitle MSP Budget and Property Tax SpecialistAgency Utah State Office of EducationPhone 801.538.7667

## Short Form

Use only when there is no appropriation needed for state agencies, and no fiscal impact on state revenues, local governments, businesses, or individuals.

If the bill looks like it should have a fiscal note, explain why it does not. For example, a bill might put into code something that is already current practice.

Attachments welcome.

- ☐ State agencies will not require an appropriation to implement the bill.  
☐ There is no fiscal impact on local governments.  
☐ There is no fiscal impact on businesses  
☐ There is no fiscal impact on individuals.  
☐ The bill will not affect revenues.

Explain why this bill has no fiscal impact.

## A. What parts of the bill cause fiscal impact?

Cite specific sections or line numbers.

## B. Which program gets the appropriation?

(Approp. Unit Code)

(To appropriate to an additional program use an additional form.) This is \_\_\_\_ of \_\_\_\_.

## C. Work Notes: Assumptions, calculations &amp; what are we buying?

Assume that a legislator calls you in to explain how you came up with your fiscal impact and these are the only notes you get to take with you.

List all costs. Identify one-time and ongoing costs. Detail FTE impacts.

Do not say, "\$50,000 in Current Expense." Be very specific about what \$50,000 will buy.

Attachments encouraged.

The 2008 Legislature implemented this 0.000600 tax rate that is being eliminated in this bill. Beginning in FY2010, the school districts in the county of the first class were to impose this levy in order to receive state funding for the minimum school program. The revenue from this levy was to be redistributed between those school districts based on a formula in statute (53A-16-107.1). As indicated on the spreadsheet titled **0.000600 Distribution**, there could be a couple of school districts that would lose money from this distribution. To recoup those revenues, those districts would have to increase their tax rates thereby increasing property tax revenues for the homeowner.

This bill would eliminate that 0.000600 requirement for the school districts in first class counties.

# Fiscal Impact Tables

Current Budget Year  
FY 2009

Coming Budget Year  
FY 2010

Future Budget Year  
FY 2011

D. If this is a revenue bill, show impacts here. (Select funds from drop-down menu.)

|              |            |            |            |
|--------------|------------|------------|------------|
|              |            |            |            |
| <b>Total</b> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

E. Show Costs to Implement the Bill by Fund (Select funds from drop-down menu.)

|              |            |            |            |
|--------------|------------|------------|------------|
|              |            |            |            |
| <b>Total</b> | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

F. Show Costs to Implement the Bill by Expense Category.

|                    |            |            |            |
|--------------------|------------|------------|------------|
| Personal Services  |            |            |            |
| Travel             |            |            |            |
| Current Expense    |            |            |            |
| DP Current Expense |            |            |            |
| DP Capital Outlay  |            |            |            |
| Capital Outlay     |            |            |            |
| Other/Pass Thru    |            |            |            |
| <b>Total</b>       | <u>\$0</u> | <u>\$0</u> | <u>\$0</u> |

G. How will the bill impact local governments?

Your estimate of the bill's impact  
on local governments.

Attachments welcome.

There would be about three school districts that would not receive extra property tax revenues, but two school districts would not lose any revenue and maybe increase their tax rates.

H. How will the bill impact businesses?

Your estimate of the bill's impact  
on businesses.

Attachments welcome.

I. How will the bill impact individuals?

Your estimate of the bill's impact  
on individuals.

Attachments welcome.

Individuals would not see an increase in their property tax rates.

| District       | FOR SCHOOL DISTRICTS IN A FIRST CLASS COUNTY |   |              |   |   |   |  |
|----------------|--|---|--------------|---|---|---|--|
|                | FY2009-2010 - USING CURRENT DATA             |   |              |   |   |   |  |
|                | 3 Year Average                               | First Class County<br>School Districts'<br>October 1, 2008<br>Enrollment <sup>1</sup> | COUNTY CLASS | TAX REVENUE<br>GENERATED BY<br>IMPOSED TAX RATE OF: | TOTAL<br>DISTRIBUTED @<br>25% THREE<br>YEAR AVERAGE<br>GROWTH | TOTAL DISTRIBUTED @<br>75% BASED ON SCHOOL<br>DISTRICTS' FALL<br>ENROLLMENT TO THE<br>TOTAL | Increase/decrease of<br>0.0006 tax rate<br>revenue from a school<br>district |
|                | Growth Increase                              |   |              | 0.0006  | \$11,475,625  | \$34,426,876  |  |
|                | 20   | 21  | 22           | 23  | 24  | 25  | 26   |
| 1 Alpine       |  |   | 2            |   |   |   |  |
| 2 Beaver       |  |   | 4            |   |   |   |  |
| 3 Box Elder    |  |   | 3            |   |   |   |  |
| 4 Cache        |  |   | 3            |   |   |   |  |
| 5 Carbon       |  |   | 4            |   |   |   |  |
| 6 Daggett      |  |   | 6            |   |   |   |  |
| 7 Davis        |  |   | 2            |   |   |   |  |
| 8 Duchesne     |  |   | 4            |   |   |   |  |
| 9 Emery        |  |   | 5            |   |   |   |  |
| 10 Garfield    |  |   | 5            |   |   |   |  |
| 11 Grand       |  |   | 5            |   |   |   |  |
| 12 Granite     | -  | 68,403  | 1            | \$14,467,804  | \$0   | \$16,085,833  | \$1,618,029  |
| 13 Iron        |  |   | 3            |   |   |   |  |
| 14 Jordan      | 1,490.0                                      | 47,857  | 1            | \$10,789,876  | \$11,475,625  | 11,254,181  | 11,939,930   |
| 15 Juab        |  |   | 5            |   |   |   |  |
| 16 Kane        |  |   | 5            |   |   |   |  |
| 17 Millard     |  |   | 4            |   |   |   |  |
| 18 Morgan      |  |   | 5            |   |   |   |  |
| 19 Nebo        |  |   | 2            |   |   |   |  |
| 20 No. Sanpete |  |   | 4            |   |   |   |  |
| 21 No. Summit  |  |   | 3            |   |   |   |  |
| 22 Park City   |  |   | 3            |   |   |   |  |
| 23 Piute       |  |   | 6            |   |   |   |  |
| 24 Rich        |  |   | 6            |   |   |   |  |
| 25 San Juan    |  |   | 4            |   |   |   |  |
| 26 Sevier      |  |   | 4            |   |   |   |  |
| 27 So. Sanpete |  |   | 4            |   |   |   |  |
| 28 So. Summit  |  |   | 3            |   |   |   |  |
| 29 Tintic      |  |   | 5            |   |   |   |  |
| 30 Tooele      |  |   | 3            |   |   |   |  |
| 31 Uintah      |  |   | 4            |   |   |   |  |
| 32 Wasatch     |  |   | 4            |   |   |   |  |
| 33 Washington  |  |   | 2            |   |   |   |  |
| 34 Wayne       |  |   | 6            |   |   |   |  |
| 35 Weber       |  |   | 2            |   |   |   |  |
| 36 Salt Lake   | -  | 23,678  | 1            | \$11,168,542  | \$0   | 5,568,182   | (5,600,360)  |
| 37 Ogden       |  |   | 2            |   |   |   |  |
| 38 Provo       |  |   | 2            |   |   |   |  |
| 39 Logan       |  |   | 3            |   |   |   |  |
| 40 Murray      | -  | 6,458   | 1            | \$1,999,903   | \$0   | 1,518,681   | (481,222)  |
| 42 Canyons     |  | 33,160  | 1            | \$7,476,378   | \$0   | 7,797,995   | 321,617  |
| Unallocated    |  |   |              |   |   |   |  |
| Total/Average  | 1,490  | \$ 146,396  |              | 45,902,502  | 11,475,625  | 34,426,876  | 7,797,995  |